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City Council, City and County of Honolulu  
Wednesday, March 21, 2012 10:00 a.m.

TO: ERNEST Y. MARTIN, CHAIR & PRESIDING OFFICER  
IKAIKA ANDERSON, VICE CHAIR  
ROMY M. CACHOLA, FLOOR LEADER  
TOM BERG  
STANLEY CHANG  
TULSI GABBARD  
NESTOR R. GARCIA  
BREENE HARIMOTO  
ANN H. KOBAYASHI

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CITY CLERK  
HONOLULU, HAWAII

FROM: Susan Houghton, Director of Public Affairs and Government Relations

**RE: Testimony in Opposition to Bill 10, Relating to the use of bags provided to customers.**

Chair Martin, Vice Chair Anderson and Councilmembers:

Thank you for the opportunity to submit testimony in opposition to Bill 10, Relating to the use of bags provided to customers. Our company operates 19 stores in Hawai'i – of which 13 are on the island of O'ahu.

While we support the intent of the measure, we believe a fee on single-use bags, which is being considered by the state legislature at this time, is the preferred vehicle because this provides the opportunity to reduce the use of both paper and plastic bags. Both have significant effects on the environment. Paper bags require more energy to produce and are more expensive to manufacture than plastic. Thus, a statewide policy which seeks to curb use of all single use bags with a fee is the most effective means to change public behavior and lessen the negative impacts on the environment and community businesses.

Since the plastic bag bans took effect on the neighbor islands last year, our stores have seen a significant cost escalation of over \$30,000 annually due to increased consumer use of paper bags. Because the paper bags are free, consumers essentially have no reason to not take them. Conversely, when cities and counties have placed a small fee on paper bags, a strong disincentive emerges. Such has been the case in the city of San Jose, California – where plastic bags were completely banned beginning January 2012 and retailers now charge .10 cents per paper bag. Consumers have adapted their behavior and our paper bag usage is down considerably (only one in four customers is purchasing a bag).

Thank you for the opportunity to share our views on this important legislation. Should you have additional questions, please do not hesitate to contact me at (925) 467-2212 or George Glukfeld, our Hawaii district manager at (808) 524-4554.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan M. Houghton".

Susan M. Houghton, Director of Public Affairs and Government Relations

MISC. COM. 528

PH